

RICK SNYDER
GOVERNOR



CHRISTINE QUINN
DIRECTOR

August 4, 2014

Mr. Areon Kelvington, Director
U.S. Department of Labor
Veterans Employment and Training Service
900 South Kansas Ave., Suite 305
Topeka, Kansas 66612

Dear Mr. Kelvington:

As director of the Workforce Development Agency, State of Michigan, I am authorized to act as a representative on behalf of the Michigan Strategic Fund to enter into agreements with the U.S. Department of Labor (USDOL)/Veterans' Employment and Training Service (VETS). Agreements may include, but are not limited to, grant modification requests, grant applications and operating agreements.

In submitting this request, we affirm our commitment to abide by the provisions of the Jobs for Veterans Act, Title 38, Chapters 41 and 42, as amended, Title 20, CFR, Chapter IX, Part 1001 and 1010 et. Seq.; Title 20 CFR, Chapter V, Parts 658-667, and any future special USDOL policies and federal directives. At this time, the FY 2015 Negotiated Indirect Cost rate has not been developed; once approved, documentation will be provided to the USDOL/VETS Michigan Director. As of this writing, Michigan continues to operate under the FY 2014 Indirect Cost Rate of 7.05 percent.

We are requesting \$5,315,000 in funding for FY 2015, which exceeds the estimated FY 2015 funding level as shown in attachment 1 of Veterans' Program letter 05-14. In accordance with section 7 of VPL 05-14, we are requesting FY 2015 funding equal to out FY 2014 funding to sustain the increased staffing levels based on FY 2014 funding levels.

These funds will be allocated to support as many full-time DVOP Specialists and LVER staff positions as possible and efficient to carry out the required services. For FY 2015 we plan a total of 54 JVSG staff, with 47 DVOP Specialist positions and seven Local Veterans' Employment Representative (LVER) positions.

We plan to hold a single three day (including two half day travel periods) training seminar for all JVSG funded staff, with an estimated cost of \$20,000 to be charged directly to JVSG. We also plan to hold three distance learning training



Workforce Development Agency, State of Michigan

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events for all JVSG staff, with an estimated cost of \$7,500 each to be charged directly to JVSG. These training events are necessary to ensure all JVSG staff is fully trained and properly executing the requirements of VPL 03-14.

Michigan continues to work with its partners to develop and implement innovative solutions to integrate veterans' employment and training programs into the American Job Centers System. We are able to serve Michigan's veterans more effectively and efficiently by leveraging all American Job Centers services and partners as intended by the Workforce Investment Act.

Questions about this report should be directed to Mr. Ethan McCallum, State Veterans' Coordinator, Veterans' Services Division, Workforce Development Agency, State of Michigan (WDASOM), who may be reached at 517-241-1192 or mccallume@michigan.gov.

Sincerely,

SIGNED

Christine Quinn, Director
Workforce Development Agency

CQ:EM:em

Enclosures

cc: Mr. Allen Nash, Program Manager, Veterans' Services Division
Mr. Stacey Cooper, Operations Manager, Veterans' Services Division

Michigan Jobs For Veterans State Grant Application Program Narrative, Fiscal Years 2015 through 2019

We, the Workforce Development Agency (WDA), State of Michigan, are submitting this program narrative (state plan) as part of our Jobs for Veterans State Grant (JVSG) Application for Fiscal Years (FY) 2015 through 2019. In submitting this request, we affirm our commitment to abide by the provisions of the Jobs for Veterans Act, Title 38, Chapters 41 and 42, as amended, Title 20, CFR, Chapter IX, Part 1001 and 1010 et seq.; Title 20 CFR, Chapter V, Parts 658-667, and any future special United States Department of Labor (USDOL) policies and federal directives.

When reviewing this program narrative, please be aware of Michigan's unique workforce delivery system. In Michigan all American Job Centers (AJC) are operated by Michigan Works Agencies (MWA), which correspond to Michigan's Local Workforce Regions. The state does not exert operational control over the MWA and their constituent AJCs, but instead has a partnership relationship with them. With few exceptions, JVSG funded staff are the only State of Michigan merit staff located within each AJC.

A. Projected Employment Outlook for Veterans

In general, the employment outlook for all job seekers, including veterans, in Michigan shows modest improvement as Michigan's economy continues a slow recovery. A recent study of veterans in the Michigan workforce by the Michigan Department of Technology, Management and Budget's (MDTMB) Bureau of Labor Market Information and Strategic Initiatives found that in recent years there has been little difference between the employment rates of veterans and nonveterans. While veteran

unemployment has shown some recent improvement, Michigan veterans continue to report higher joblessness than veterans nationally; this is true also for nonveterans. The type of employment held by veterans and nonveterans are also similar, although veterans are overrepresented in industries like manufacturing and construction and in occupations such as production and maintenance.

A number of initiatives to promote veteran employment opportunities are continuing or expanding. Within government, the State of Michigan continues to have a veterans' hiring preference similar to that used by the federal government. Additionally, the Michigan Department of Corrections (MDOC), Michigan Department of Transportation, and the Michigan State Police (MSP) are continuing and expanding veteran recruitment initiatives. Beyond target recruiting, the MDOC and MSP programs include heightened veterans' preference and formally accept much military experience as preferable work experience.

Efforts to promote the hiring and retention of veterans and eligible persons among federal agencies, federal contractors and subcontractors will focus on creating a link between the appropriate representatives of these employers and the MWAs. Our intent is that Local Veterans' Employment Representative (LVER) staff will conduct outreach to the appropriate human resource staff with these employers, such as the human resources representative in each federal agency responsible for promoting the hiring of veterans. The LVER staff will facilitate educate the human resources staff on the services available from the MWAs and AJCs, and will facilitate communication between these parties. We are currently in discussions with the Office of Federal Contract Compliance Programs to develop this program with regard to federal contractors and

subcontractors. An increasing number of employers in the private sector are creating formal veteran recruitment programs, many of which also include a retention component. A particularly successful example is Roush Enterprises, an advanced manufacturing auto industry supplier, which has a full time veterans initiatives team led by a retired senior noncommissioned officer. In addition to very proactive and successful veteran hiring practices, Roush actively encourages other employers to adopt similar practices, and offers its own expertise to help establish new programs.

The Michigan Veterans Affairs Agency (MVAA) is actively promoting such practices through their Certified Veteran Friendly Employer program. Beyond advocating veterans as desirable employees, MVAA provides interested employers with practical assistance in establishing an effective veteran recruiting program and connects them with other employers with operational programs. The Certified Veteran Friendly Employer program recognizes employers who make advances in employing and retaining veterans, and rewards Certified Veteran Friendly Employer with preferential access to state sponsored hiring fairs and job fairs.

The benefits of the hiring and retention of veterans will be promoted to employers through outreach by LVER staff, MVA staff and AJC staff to employer associations. Specifically, veterans will be promoted as highly marketable and dependable employees possessing valuable transferable skills, leadership, and desirable soft skills. This message will be adjusted to address the specifics of individual industries. Additionally, any state or federal incentives to hire and retain veterans, such as tax credits, will be addressed.

B. Targeting Services to Veterans with Significant Barriers to Employment

We recognize and fully endorse that the role of Disabled Veterans' Outreach Program (DVOP) Specialists is to provide intensive employment services to qualified veterans and eligible spouses with significant barriers to employment (SBE), as defined in Veterans' Program Letter (VPL) 03-14, or the most recent guidance from USDOL-VETS. We also recognize and fully endorse that DVOP Specialists are to provide services only to those veterans and eligible spouses who meet the statutory requirements of 38 U.S.C. § 4101 and § 4211 who attest to belonging to at least one of the six SBE criteria. The specific SBE criteria are:

- A special disabled or disabled veteran, as defined in 38 U.S.C. § 4211(10) and (3);
- Homeless, as defined in 42 U.S.C. § 11302(a);
- A recently-separated service member, as defined in 38 U.S.C § 4211(6), who at any point in the previous 12 months has been unemployed for 27 or more consecutive weeks;
- An offender, as defined by the Workforce Investment Act of 1998 (WIA) Section 101(27), who has been released from incarceration within the last 12 months;
- Lacking a high school diploma or equivalent certificate;
- Low-income, as defined by WIA Sec. 101(25)(B).

In addition, DVOP Specialist shall provide services to priority category populations identified by the Secretary under 38 U.S.C. § 4103A(a)(1)(C). Currently the Secretary has identified four such populations, defined in VPL 01-14 and VPL 04-14, or the most recent guidance from USDOL-VETS. These populations are:

- Transitioning Service Members who have participated in the Transition Assistance Program and have been identified as in need of intensive services;
- Service members who are wounded, ill, or injured and receiving treatment in military treatment facilities or warrior transition units;
- The spouses or other family caregivers of such wounded, ill, or injured service members;
- Veterans, as defined in 38 U.S.C. § 4211, aged 18 to 24.

All DVOP Specialists are required to conduct outreach to locate appropriate veterans and eligible spouses, and will be held accountable to this by submitting and reporting on a formal outreach plan. In accordance with VPL 03-14 outreach activities will be performed by DVOP Specialists only when they do not have a full case load and have completed a review of all open case files. Outreach will be conducted to build relationships with other service providers in the local area who are likely to have contact or interact with qualified veterans or eligible spouses with an SBE or priority category populations.

The purpose of this outreach will be to educate the service providers on the services available to veterans and eligible spouses at AJCs so they can encourage those individuals to enroll in an AJC. Once enrolled in an AJC, the existing AJC screening and referral system (see Section F below) will ensure appropriate veterans and eligible spouses are referred to a DVOP Specialist to receive intensive employment services. This outreach will also familiarize DVOP Specialists with relevant resources and service provided by other agencies in their local area. These can then be leveraged by both DVOP Specialists and AJC staff as appropriate to enhance services provided to

veterans and eligible spouses, or to fill any service gaps that may exist within a specific AJC.

We plan to continue coordinating with all partners to develop strategies to optimize services and employment outcomes for qualified veterans and eligible spouses. Our primary partners are the MWAs, which operate all AJCs and are the central hub for all workforce activities within their Local Workforce Region. Other partners with which we are collaborating, or seeking to collaborate, include county and municipal workforce agencies, USDOL Homeless Veterans Reintegration Program (HVRP) grantees, Employer Support of the Guard and Reserve (ESGR), MVAA, Michigan Nation Guard, county veterans offices, U.S. Department of Veterans Affairs (USDVA) Vocational Rehabilitation and Education (VR&E) program and health system, local homeless shelters, and other local and regional nonprofit or government agencies providing related or supportive services.

This collaboration occurs as a flexible and intermixed process at the local, regional, and state levels. In bringing together all appropriate partners we can facilitate open communication, relationship building and a comprehensive awareness of all resources and services available. This in turn will optimize services, and therefore employment outcomes, for veterans and eligible spouse by facilitating coordinated and cooperative efforts. Ad hoc taskforces will be created as necessary to address specific issues or local needs. Details on leveraging resources and integration are addressed in Section F below.

Monitoring these efforts to improve services and employment outcomes for veterans and eligible spouses will be achieved using three methods. First, we will run periodic queries in the One-Stop Management Information System (OSMIS), or its replacement, to identify how many new veterans and eligible spouses have enrolled with AJCs, both by MWA and by location. This information will also be used to determine how many of these customers are being referred to DVOP Specialists. Second, JVSG managers will conduct periodic reviews of all DVOP Specialists' case files to identify the frequency and manner in which other service providers are also assisting these veterans and eligible spouses. Third, we will examine the regional and state employment outcomes as reported in the ETA 9002 and VETS 200 series reports.

The success of these efforts to improve services and employment outcomes for veterans and eligible spouses will be assessed by measuring the change in three areas. First, the number of veterans and eligible spouses enrolled in AJCs. Second, the number and rate of veterans and eligible spouses receiving intensive employment services from a DVOP Specialist. Third, the change in the rate of veterans and eligible spouses obtaining a successful employment outcome. Because the recent guidance released in VPL 03-14 significantly changed the manner in which veterans and eligible spouses are referred to DVOP Specialists for intensive employment services, we are still working to establish both local and state baseline for these assessments.

We recognize that Native American veterans living on tribal lands are an underserved population, and will continue our outreach efforts to Native American tribes in Michigan. The intent of this outreach will be to facilitate the delivery of intensive employment services by DVOP Specialist to Native American veterans with SBE who reside on tribal

land. We previously reached out to the Directors/Chairmen of each of the twelve tribes and the Executive Director of the United Tribes of Michigan.

As a result of this engagement, key tribal leadership is fully aware of the services provided by JVSG staff and our willingness to work with them to provide services to Native American veterans with SBE living on tribal land. We have entered informal partnerships with three of the federally recognized Native American tribes in Michigan, which have included granting us access to tribal communication channels, use of facilities on tribal lands, and limited integration into the tribal service delivery systems. The actual utilization and participation by Native American veterans living on tribal lands, however, has been minimal. Consequently, we do not currently have a process for delivering JVSG services on tribal lands, but we are working with tribal leadership identify the cause of this nonparticipation by Native American veterans and develop a solution.

C. Planned Deployment of Grant Funded Staff

For FY 2015, we plan on a JVSG staffing level of 54 staff, with 47 DVOP Specialist positions and seven LVER positions. Of the 47 DVOP Specialist positions, two are designated as limited term to expire on September 30, 2015, but may be converted to permanent positions should FY 2016 JVSG funding be higher than anticipated.

Expected FY 2015 funding will support only 50 JVSG staff, but given the historical vacancy rates for DVOP Specialist positions we estimate that 47 DVOP Specialist positions will be required to average of 43 DVOP Specialist base positions paid for in FY 2015. Within WDA the Veterans' Services Division (VSD) has direct responsibility for executing the JVSG, and all JVSG funded staff are assigned to VSD.

In accordance with Part VIII of JVSG Application Instructions, one LVER position is designated as the State Coordinator. Of the seven LVER positions, two (including the State Coordinator position) will be located in the WDA central office in Lansing, Michigan. The remaining five LVER positions will be located strategically facilitate efficient geographic coverage, and will typically be located within an AJC.

All DVOP Specialist positions will be located within AJCs. Three factors make AJCs the location at which DVOP Specialists can most effectively and efficiently provide intensive employment services to those qualified veterans and eligible spouses in need of such services. First, all marketing, partners, and outreach encourages job seekers (including veterans and eligible spouses) to first seek services at their local AJC. Second, the majority of workforce resources and partners with whom the DVOP Specialists are integrated are located in AJCs. Third, security protocols limit access to the OSMIS preventing full provision of services outside of an AJC.

As current funding allows DVOP Specialists to be located in less than half of the AJC locations currently operating in Michigan, we conducted a detailed qualitative analysis to determine which locations experience the most demand for DVOP Specialist services. This analysis indicated five AJC locations each requiring two DVOP Specialist positions, and 37 AJC locations each requiring one. These locations were adjusted slightly to ensure effective statewide coverage, and these final AJC locations are reported in the attached VETS-501 JVSG Staffing Directory.

Those AJCs without a collocated DVOP Specialist position will be covered by an appropriately located DVOP Specialist on a by appointment basis. Utilizing the referral

process required by VPL 03-14 such AJCs will forward referrals to the DVOP Specialist assigned to cover their location. The DVOP Specialist will promptly contact the referred veteran or eligible spouse and schedule an appointment as appropriate.

We will continue to make every effort to expedite the filling of all JVSG funded staff positions. Through refining our process and prioritizing the filling of JVSG funded vacancies, we are typically able to fill a vacant position in six to seven weeks. Given the realities of filling state merit staff positions, this is the shortest vacancies can realistically be filled.

We do not anticipate any serious budget problems for the foreseeable future, and the State of Michigan currently has no plans for hiring freezes, furloughs, or reductions in force. Should the State of Michigan decide to adopt such measures, we will request that JVSG funded positions be exempted based on the argument that as USDOL funded positions, such actions will not reduce the state's expenditures, but will instead reduce available state funds. The final decision on such a request would rest with either the Michigan Civil Service Commission or the Governor.

We are requesting a waiver to continue to utilize six LVER positions to perform management responsibilities for Michigan's JVSG program. Each of these six positions will continue to perform the primary functions of a LVER as described in Section E of this state plan in addition to managerial responsibilities. This same waiver request was approved in 2010 and was in effect FY 2011 through FY 2014. This waiver request is made in accordance with Part VIII of JVSG Application Instructions.

The employment of these six positions in a management capacity is necessary for the execution of Michigan's JVSG program due to the unique structure of Michigan's workforce delivery system. Due to this structure the State of Michigan has no management staff or structure, other than as requested in this waiver, to supervise JVSG staff operating in AJCs. Michigan Civil Service Commission regulations require that state merit staff be supervised only by appropriate managers who are themselves State of Michigan merit staff. Without the six LVER positions with managerial responsibility requested in this waiver, it will be impossible for Michigan to assign JVSG staff to AJCs, or to execute the JVSG program.

Two of the requested LVER positions with managerial responsibility will have managerial responsibilities at the state level. One will be the JVSG Program Manager, who in conjunction with the State Veterans' Coordinator will be responsible for compliance, coordinating at the state level with other agencies and partners, and developing JVSG related policy and procedures. The other will be the JVSG Operations Manager, who will directly supervise the Regional Managers and through them be responsible for supervision of all staff, operational coordination with partners, and developing training for JVSG staff. The remaining four requested LVER positions with managerial responsibility will have managerial responsibilities at the local level, and will be responsible for direct supervision of staff, ensuring proper integration in to the AJCs, and coordinating with local partners.

D. DVOP Specialists

We will employ DVOP Specialists in accordance with terms of Title 38 U.S.C, as directed in guidance from USDOL-VETS, currently VPL 03-14 and VPL 04-14. DVOP

Specialists shall perform all duties required Title 38 U.S.C. and USDOL-VETS guidance, and will perform only those duties allowed by that guidance. Our intent is that all DVOP Specialists will be fully and seamlessly integrated into the service delivery model of each MWA and its constituent AJCs.

All duties we assign to each DVOP Specialist will be executed in accordance with USDOL-VETS guidance, currently VPL 07-10 and 03-14. The specific duties we assign to each DVOP Specialist include:

- Receive referrals of DVOP qualified veterans and eligible spouses from AJC staff;
- Conduct an assessment on properly referred DVOP qualified referred veterans and eligible spouses to determine if case management is appropriate;
- As appropriate, connect properly referred DVOP qualified referred veterans and eligible spouses to other partners and/or service providers to compliment DVOP Specialist provided services;
- Assign appropriate DVOP qualified veterans and eligible spouses to case management, to include completing an individual development plan for each;
- Provide intensive employment services, as defined in WIA Section 134(d)(3), to all case managed DVOP qualified veterans and eligible spouses;
- As necessary, coordinate the delivery of services and/or placement assistance to properly referred DVOP qualified referred veterans and eligible spouses with other partners and service providers;

- Conduct relationship building, outreach and recruitment activities with other service providers in the local area, to enroll SBE and priority category veterans in an AJC.

DVOP Specialists are to perform only authorized duties and provide only authorized services, and may do so only for those veterans and eligible spouses who meet the statutory requirements of 38 U.S.C. § 4101 and § 4211 who attests to belonging to at least one of the six SBE criteria. The specific SBE criteria are:

- A special disabled or disabled veteran, as defined in 38 U.S.C. § 4211(10) and (3);
- Homeless, as defined in 42 U.S.C. § 11302(a);
- A recently-separated service member, as defined in 38 U.S.C § 4211(6), who at any point in the previous 12 months has been unemployed for 27 or more consecutive weeks;
- An offender, as defined by WIA Section 101(27), who has been released from incarceration within the last 12 months;
- Lacking a high school diploma or equivalent certificate;
- Low-income, as defined by WIA at Sec. 101(25)(B).

In addition, DVOP Specialist shall provide services to priority category populations identified by the Secretary under 38 U.S.C. § 4103A(a)(1)(C). Currently the Secretary has identified four such populations, define in VPL 01-14 and VPL 04-14, or the most recent guidance from USDOL-VETS. These populations are:

- Transitioning Service Members who have participated in the Transition Assistance Program and have been identified as in need of intensive services;

- Service members who are wounded, ill, or injured and receiving treatment in military treatment facilities or warrior transition units;
- The spouses or other family caregivers of such wounded, ill, or injured service members;
- Veterans, as defined in 38 U.S.C. § 4211, aged 18 to 24.

In accordance with VPL 03-14, immediately upon identification all veterans and eligible spouses will be assessed by AJC staff. This identification will primarily be through the same mechanism required to identify covered persons for priority of service in accordance with Training and Employment Guidance Letter (TEGL) 10-09 and VPL 07-09, but we encourage our AJC partners to take a proactive approach and display additional signage encouraging veterans and eligible spouses to self-identify. Each veteran and eligible spouse identified will be assessed by AJC staff to determine if they are qualified for DVOP services in accordance with the criteria described above. If qualified, they will be referred to the DVOP Specialist assigned to that AJC.

The referral process described above is an important component of fully integrating the DVOP Specialists into workforce system and the AJCs. By making the identification and referral of DVOP qualified veterans and eligible spouses a formal part of the AJC intake process, DVOP Specialists become integrated into the AJC service delivery model at the start of the process. The same guidance mandating this referral process also encourages dual enrollment of veterans and eligible spouses into all appropriate AJC services and programs in addition to the DVOP. Additionally, DVOP Specialists are required to refer veterans and eligible spouse with whom they are working to any and all

appropriate workforce partners and programs, including those in the AJC, and other AJC programs are required to reciprocate.

To facilitate this integration each MWA has assigned a manager to serve as the functional coordinator. The functional coordinators are responsible for monitoring and facilitating the integration of JVSG staff into the AJC service delivery model. In this capacity they will ensure that DVOP Specialists are effectively integrated, will work to resolve integration problems locally, and seek to enhance their effective integration. They will serve as the primary operational point of contact between the MWA, including the AJC staff, and the VSD regional manager who represents WDA.

Upon receipt of a referral from AJC staff, DVOP Specialists will attempt to contact each referred veteran or eligible spouse for the purpose of conducting an assessment. The purpose of this assessment is to identify the specific barriers to employment and needs and of that veteran, and to ascertain whether they are interested in being case managed by a DVOP Specialist. Based on this assessment, the DVOP Specialist will determine if the veteran or eligible spouse is suitable for, and likely to become job ready through, case management. If so, the DVOP Specialist will work with the veteran or eligible spouse to create an individual development plan, and will then provide appropriate intensive employment services through case management in accordance with the agreed plan.

E. LVER Staff

We will employ LVER staff in accordance with terms of Title 38 U.S.C as directed in guidance from USDOL-VETS, currently VPL 07-10 and 03-14. LVER staff shall perform

the duties required Title 38 U.S.C. and USDOL-VETS guidance, and will perform only those duties allowed by that guidance. Our intent is that LVER activities will support improved employment opportunities and outcomes for all veterans served by the AJCs.

All duties we assign to each LVER staff member will be executed in accordance with USDOL-VETS guidance, currently VPL 07-10 and 03-14. The specific duties we assign to each LVER staff member include:

- Facilitate services available to veterans through the state employment service delivery by:
 - Support the planning of job and career fairs;
 - In cooperation with appropriate partners, coordinate with unions, apprenticeship programs and business organizations to promote training programs for veterans;
 - Facilitate the provision by AJC staff of job searches, workshops, and job search groups in conjunction with employers;
 - Support the promotion of credentialing and licensing opportunities for veterans;
 - Provide training and subject matter expertise to MWA and AJC partners.
- Conduct employer outreach to promote employment opportunities for veterans by:
 - Coordinate outreach efforts with appropriate MWA and AJC staff to business organizations to promote employment for veterans;
 - Coordinate with appropriate MWA and AJC partners to inform Federal contractors of the process to recruit qualified veterans.

To maximize the impact of our small LVER staff, we take a top down, cooperative approach to outreach. LVER staff will coordinate with our MWA and AJC partners, and other state agencies such as MVAA and the Michigan Economic Development Corporation (MEDC), to conduct outreach to employer associations at the state and regional level. In this way the maximum number of employers can be efficiently and effectively reached to promote the hiring of veterans. This outreach will not only educate employers on the many advantages in hiring veterans, but also inform employers on how to find qualified veteran applicants by leveraging the state workforce system and AJCs. We expect that these efforts will increase veteran employment by making a sound business case to employers on why they should hire veterans, and providing them with the tools and contacts to do so effectively.

Our intent is for our LVER staff to play a central role in facilitating the provision of services to veterans. This will be accomplished through building partnerships, especially with MWAs and AJCs, providing subject matter expertise, and promoting the efficient and effective integration of all employment services provided to veterans. Within each MWA, LVER staff will coordinate closely with the functional coordinator to provide training and technical assistance on priority of service, best practices for providing effective services to veterans, relevant external partners, the role of DVOP Specialists, integration of DVOP Specialists into the AJC service delivery model, and best practices for conducting outreach to employers.

F. Program Integration and Leveraging Resources

We consider integration and coordination a critical component for the success of all workforce programs, including the JVSG. To support this, we have a multifaceted

approach to ensuring DVOP Specialists and LVER staff and their proper functions are integrated into the delivery of services to veterans and eligible spouses within AJCs. First, each MWA must submit a local workforce plan outlining their strategy for ensuring this integration. Second, we issue guidance to reinforce these requirements and provide technical assistance at the MWA and AJC levels to assist in implementation and share best practices. Third, we monitor activities at the AJC by running periodic OSMIS queries to determine how veterans and eligible spouses are receiving services. This is reinforced by JVSG managers conducting regular reviews of all DVOP Specialists' case files to identify the frequency and manner in which other service providers are also assisting these veterans and eligible spouses.

These efforts are supported by fostering a cooperative and open relation the MWA. To facilitate this, each MWA has assigned a manager to serve as the functional coordinator. The functional coordinators are responsible for monitoring and facilitating the integration of JVSG staff into the AJC service delivery model. They also monitor how the AJCs are implementing priority of service and providing services to veterans. They will serve as the primary operational point of contact between the MWA, including the AJC staff, and the VSD regional manager who represents WDA.

Integration of the DVOP Specialists into the USDVA VR&E program is accomplished primarily through a formal local memorandum of understanding (MOU) between WDA, USDOL-VETS, and USDVA. This memorandum mirrors the national MOU between USDOL-VETS and USDVA and provides for full integration of appropriate JVSG staff into the VR&E process. To further facilitate this process, we assign one DVOP Specialist or other appropriate WDA staff member to serve as the Intensive Services

Coordinator, with duties assigned in accordance with VPL 01-09, or the most recent guidance from USDOL-VETS. Additionally, JVSG program management staff meet regularly with representatives of the VR&E program to ensure continue smooth program integration and cooperation.

At the AJC level, our intention is that all DVOP Specialists be fully integrated into the service delivery system. To better accomplish this we recently issued new guidance to the MWAs describing the formal process to be followed in the identification, assessment, and referral to DVOP Specialists of veterans and eligible spouses to comply with the requirements of VPL 03-14, or the most recent guidance from USDOL-VETS. This process requires that upon identification all veterans and eligible spouses are assessed to determine their employment service needs by non-JVSG AJC staff. Based on this assessment, AJC staff will refer the veteran or eligible spouse to all appropriate services, including the DVOP Specialist if qualified.

To facilitate the optimal utilization of the services and resources available from other service providers we have developed cooperative relationships with many service providers, including all MWAs, AJCs, MEDC, HVRP grantees, ESGR, MVAA, USDVA, Michigan Rehabilitation Services (MRS), and numerous local agencies and nonprofit organizations. We continue to execute robust, coordinated outreach efforts at the local, regional, and state levels to identify and reach out to additional service providers. As part of this outreach, all DVOP Specialists are required to conduct outreach to local USDOL-VETS competitive grantees (currently there are five HVRP grantees in Michigan) and MRS to coordinate local services. Currently there are no military treatment facilities or Wounded Warrior Transition Units located in Michigan.

This outreach ensures we have an accurate and realistic picture of what other services and resources are available at the local, regional and state levels, and are able to develop relationships to leverage those service providers. This information is shared with all JVSG staff so that they also have an accurate and realistic picture of available services. This allows DVOP Specialists to integrate available partner services and resources into the Individual Development Plan for the veterans they are serving, and provides LVER staff with additional avenues to promote and facilitate employment services and placements for veterans and eligible spouses.

The primary formal partnerships we leverage are with the MWAs, and through them the AJCs, which are the focal point of all workforce efforts in Michigan. We also have a long standing formal partnership with VR&E. We attempt to build partnerships with all partners to facilitate effective and efficient coordination of services with the goal of complementing one another's services and resources while simultaneously improving both services to and employment outcomes for veterans and eligible spouses.

Additionally, individual DVOP Specialists are encouraged to develop similar partnerships with appropriate local service providers.

We have also had success in forming partnerships with three of the federally recognized Native American tribes in Michigan. These partnerships have included granting us access to tribal communication channels, use of facilities on tribal lands, and limited integration into the tribal service delivery systems. As discussed in Section B above, the actual utilization and participation by Native American veterans has been minimal. Using the existing relationships we are working to identify the causes of this and develop a solution. To support this effort, we intend to seek collaboration with other

State of Michigan agencies working with Native American tribal leadership and leverage those relationships to facilitate the delivery of JVSG services to Native American veterans with SBE.

Michigan has adopted a demand driven approach to all workforce and employment programs to ensure that all services and training are directed towards in-demand jobs and careers. To support this, we are heavily engaged with employers, employer associations, and other partners to continuously identify and update in-demand jobs and the skills necessary to both enter and succeed in those careers. Within WDA this is accomplished primarily through the application of the Michigan Industry Cluster Approach. This involves convening groups of geographically concentrated and related employers, industry suppliers, and support within institutions to identify in-demand jobs and skills. Our Workforce Policy and Strategic Planning Division works with the Governor's Talent Investment Board to identify state-wide in-demand jobs and skills.

We also collaborate closely with the local workforce boards and their associated MWAs who have primary responsibility for determining in-demand jobs and skills at the local and regional level. Additional partners at the state level are the MDTMB's Bureau of Labor Market Information and Strategic Initiatives and MEDC. By utilizing multiple internal and external avenues, we are able to develop a comprehensive and up to date picture of in-demand jobs and skills at the local, regional, industry, and state level.

As was described in Section B above, the MWAs and their constituent AJCs are the central hub for all workforce activities and associated training within Michigan. Our strategy for the leveraging of other state and federal education and training programs to

develop skills necessary to prepare veterans for in-demand jobs is therefore focused on and in close cooperation with our MWAs and AJC partners. The combined effects of the effective integration of JVSG programs into the AJC service delivery system, outreach to and relationship building with relevant partners, and comprehensive, up-to-date information on in-demand jobs and skills allows the coordination of programs and services to avoid unnecessary duplication, close gaps in services, and identify the program or service best suited to the individual veteran being served. In this way we are able to leverage a wide range of state and federal training programs to efficiently and effectively provide veterans with the specific skills necessary to secure and succeed in current in-demand jobs.

Specific federal programs leveraged in this manner include WIA programs, Trade Adjustment Act program, Dislocated Workers program, Youth programs, and Temporary Assistance for Needy Families. State programs include the WDA administered Skilled Trades Training Fund and the MEDC administered Community Ventures program. Other leveraged programs include employer and union apprenticeship programs, on the job training, unpaid internships and work experience programs, and community college and nonprofit training programs.

Most public information activities are conducted by the MWA under the “Michigan Works!” brand and marketing initiative, and are aimed at job seekers in general with the intent of encouraging them to seek services at an AJC. Priority of service signs are prominently displayed within each AJC, and many AJCs also display messages on digital message boards or televisions encouraging veterans to self-identify. Our outreach efforts, as described in Section B above, are focused on those service

providers likely to interact with SBE veterans, again with the intent of encouraging them to seek services at an AJC, but with more specific information on priority of service and other veteran specific services. We conduct similar outreach to state and local partners who interact with the public, such as Michigan's Unemployment Insurance Agency, to direct job seeking veterans to an AJC and again with an emphasis on priority of service. Because of the huge variety of eligibility criteria and local availability of AJC programs public information usually does not provide specifics on particular programs so as not to foster unrealistic expectations among job seekers.

We are actively engaged in promoting the development of in-demand job driven training opportunities for veterans and eligible spouses within the education community, and especially among employers. Within WDA the Education and Career Success Division (ECSD) which advises and collaborates with both employers and educational institutions to promote access to, retention in, and completion of individual training for in-demand jobs and careers by seeking to create a balance between labor and education. The efforts of the ECSD are supported by our Education Advisory Groups/ Talent District Career Councils which advise and collaborate with employers, employer associations, and local workforce boards to promote such training at the local level. Although our activities in this area are targeted to job seekers in general, we place an emphasis on veterans and involve appropriate subject matter experts and JVSG staff as needed.

G. Priority of Service

It is our intent to ensure that priority of service is provided to all covered persons, as required by 38 U.S.C. § 4215(b) and 20 CFR Parts 1001 and 1010. Each MWA is

required to assure that they will properly provide priority of service to covered persons in their component AJCs, and detail their method for accomplishing this in their annual operating plan. Because each MWA is an independent entity over which the State of Michigan does not exert operational control, there is no uniformity among AJCs in the specifics of how priority of service is provided to covered persons.

We plan to ensure proper implementation of priority of service across all qualified job training programs by ensuring MWAs understand the requirements of 38 U.S.C. § 4215(b) and 20 CFR Parts 1001 and 1010. This will be accomplished by maintaining formal policy guidance, providing ongoing training to each MWA, coordination between the MWAs and JVSG program staff, and continual monitoring of priority of service implementation and outcomes. Our engagement with MWAs and their component AJCs will occur at the agency level, local level, and individual AJC level.

We have issued a policy outlining the requirements of priority of service and the obligations of the MWA in complying with and implementing those requirements. This is formal guidance from WDA to each of the MWAs which supplements and supports the guidance in TEGL 10-09 by providing state specific guidance. We will ensure that the Policy Issuance remains current and accurate, and will promptly issue new guidance as the need arises.

To support the formal guidance, we also provide ongoing training to MWA directors, management and staff. This training address the requirements of priority of service in general, and also the specific needs of the MWA or AJC being trained, and will include both technical assistance and best practices. Delivery of training will primarily be the

responsibility of JVSG management and staff, and will be delivered by the most appropriate staff member. This training and subsequent implementation will be further supported by the functional coordinator within each MWA, who is responsible for facilitating the effective implementation of priority of service.

In conjunction with the functional coordinator, we will also closely monitor the provision of priority of service. Both JVSG management and the functional coordinators will periodically conduct site check to ensure all required priority of service signs are present and properly displayed, and that AJC staff understand both the requirement of priority of service and its proper implementation. At these site visits, the monitors will pay particular attention to the implementation of priority of service beyond core services, including the allocation of training funds.

We will also utilize periodic data from the ETA 9002 and VETS 200 series reports. By analyzing this data we can identify the relative rate at which veterans and eligible spouses receive services and training as compared to nonveterans. Specifically we will look at the relative rates of referral to USDOL funded training, referral to employment by AJC staff, and job placement activities provided by AJC staff. Anytime the referral rate in any one of these areas is lower for veterans and eligible spouses than for nonveterans that will be considered evidence that priority of service may not be implemented properly in the area under examination.

The MWAs are the only service providers with which we have annual agreements. Each MWA is required to submit an annual operating plan to us for approval, which once approved constitutes a formal annual agreement between the MWA and WDA. This

plan must include an assurance that both the MWA and all of its subcontractors will fully execute priority of service in accordance with 38 U.S.C. § 4215(b) and 20 CFR Parts 1001 and 1010. In addition, the plan must describe the MWA's plan to properly execute priority of service,

H. Performance Incentive Award

We will request 1% of our annual allocation for each year from FY 2015 through FY 2019 for Performance Incentive Awards for eligible staff, which will be used in accordance with VPL 02-07, or the most recent guidance from USDOL-VETS. Our goal for the Performance Incentive Awards is that it will improve the employment services provided to and the employment outcomes for veterans through improvements in individual staff and AJC office performance, outreach and partnerships, and innovation. The Performance Incentive Awards will achieve these outcomes by encouraging awarding superior service, outstanding partnership building, and innovation, through recognizing and reward.

Due to Michigan Civil Service rules and union agreements we cannot grant awards that are direct monetary payments. Instead we will make awards non-monetary awards such as those listed in Enclosure III of VPL 02-07 or are reimbursements for work related expenses or purchases. To be reimbursable, an expense or purchase must in some way enhance the awardee's delivery or facilitation of employment services to veterans, and must be submitted through the State of Michigan's expense reimbursement system. Approved purchases so reimbursed will be the sole property of the employee or agency making the purchase.

The Performance Incentive Awards will be administered by the VSD under the oversight of the JVSG Operations Manager and JVSG Program Manager, as request and described in Section C above. Performance Incentive Awards will be allocated in three phases.

Phase One begins on October 1 of each fiscal year VSD management will set aside up to 25% of the total Performance Incentive Award allocation to grant non-monetary awards such as those listed in Enclosure III of VPL 02-07. These awards will be made through out the fiscal year to eligible employees or offices nominated by staff, partners, or VSD management and then approved by VSD management as having provided or facilitated superior service, made outstanding contribution to partnership building or innovation. To be considered for these awards the following criteria must be met by the applicant on the date of nomination:

- Must not have received a performance rating less than satisfactory in their most recent performance evaluation;
- If a VSD staff member, must have worked for VSD for at least one year;
- During the preceding year, must not have been placed on probation (excluding new hire 12 month probation), or under formal disciplinary action.

Phase Two starts on January 1 of each fiscal year, all Performance Incentive Award allocation remaining after the allocation made on October 1 will be used to grant reimbursement awards as described above. Our intent is that these awards will be announced during the 2nd Quarter of each fiscal year for eligible employees or offices

nominated by staff, partners, or VSD management and then approved by VSD management as having provided or facilitated superior service, made outstanding contribution to partnership building or innovation. To be considered for award nominated individuals must also satisfy the three criteria described for Phase One above. All requests for reimbursement under Phase Two must be approved by VSD management and submitted into the State of Michigan electronic expense reimbursement system by the first working day in August of that fiscal year.

Phase Three begins on the first working day in August of each fiscal year. At that time all funds allocated in Phase Two that have not been approved by VSD management and submitted into the State of Michigan electronic expense reimbursement system will be reassigned to the Phase Three allocation. The Phase Three allocation will be distributed as awards in the same manner as described for Phase One above.

All Performance Incentive Awards funds will be obligated no later than September 30 of each fiscal year. These funds will be liquidated no later than December 31 of the following fiscal year. We will submit an annual Incentive Award Report simultaneously with but separate from the 4th Quarter Technical Narrative Report for that fiscal year. This report will be prepared and submitted in accordance with USDOL-VETS directives.

I. Narrative Budget Information

We treat the DVOP and LVER programs as separate and distinct programs, and will use separate accounting codes to assign costs for each. We recognize that funds from one program may not be used to pay costs for the other program, and that changes in the approved budget must be approved through a formal grant modification request.

All DVOP activities will be charges to DVOP funds, and all LVER activities will be charges to LVER funds. Shared or indirect costs will be assigned to the DVOP or LVER program in accordance with OMB Circular A-87, or most current guidance, and the approved cost allocation plan.